

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	<u>Range Resources-Pine Mountain, Inc.</u>	)	VIRGINIA GAS
		)	AND OIL BOARD
		)	
RELIEF SOUGHT	<b>EXCEPTION TO STATEWIDE SPACING</b>	)	
	<b>LIMITATIONS PRESCRIBED BY</b>	)	DOCKET NO.
	<b>VA. CODE § 45.1-361.17 (a) (2)</b>	)	<u><b>VGOB-12-1218-3097</b></u>
	<b>FOR <u>WELL NO. 900126</u></b>	)	
		)	
		)	
		)	
		)	
LEGAL DESCRIPTION:		)	
		)	
	DRILLING UNIT SERVED BY WELL	)	
	NUMBERED <u>900126</u>	)	
	TO BE DRILLED IN THE LOCATION	)	
	DEPICTED ON <b>EXHIBIT A</b> HERETO,	)	
	<u><b>James E. Raines Tract</b></u>	)	
	40.00 acres, more or less	)	
	<u><b>HARMAN QUADRANGLE</b></u>	)	
	<u><b>ROCK LICK DISTRICT</b></u>	)	
	<u><b>BUCHANAN COUNTY, VIRGINIA</b></u>	)	
	(the "Subject Lands" are more particularly described	)	
	on <b>Exhibit "A"</b> , attached hereto and made a part	)	
	hereof)	)	

REPORT OF THE BOARD

FINDINGS AND ORDER

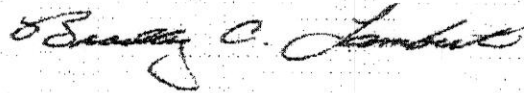
1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at **9:00 a.m.** on **December 18, 2012** at the Russell County Conference Center, Highland Drive, Lebanon, Virginia.
2. Appearances: **Timothy E. Scott of McKinnis & Scott**, appeared for the Applicant.
3. Jurisdiction and Notice: Pursuant to Va. Code §§ 45.1-361.1 *et seq.*, the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a meaningful search of reasonably available sources to determine the identity and whereabouts of each gas and oil owner, coal owner, or mineral owner having an interest in Subject Drilling Unit underlying and comprised of Subject Lands; and (2) represented to the Board that it has given notice to those parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code § 45.1-361.19 to notice of this application. Further, the Board has caused notice of this hearing to be published as required by Va. Code § 45.1-361.19.B. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

4. Amendments: None.
5. Dismissals: None.
6. Relief Requested: Applicant requests an exception to the statewide spacing limitations set forth in Va. Code § 45.1-361.17 for **Well No. 900126**.
7. Relief Granted: The requested relief in this cause shall be and hereby is granted. The Board hereby grants Applicant consent to permit and drill proposed **Well No. 900126** which is **1,750.00 feet from Range Well No. 821672, 2,011 feet from Range Well No. 809680, 2,140 feet from Range Well No. 809637 and 2,334 feet from Range Well No. 900024** at the location depicted on the Plat attached hereto as **Exhibit A**.
8. Special Findings: The Board specifically and specially finds:
  - 8.1 Applicant is **Range Resources-Pine Mountain, Inc.** Applicant is duly authorized and qualified to transact business in the Commonwealth of Virginia;
  - 8.2 Applicant **Range Resources-Pine Mountain, Inc.** is an operator in the Commonwealth of Virginia and has satisfied the Board's requirements for operations in Virginia;
  - 8.3 Applicant claims ownership of Conventional Gas Leases of Subject Drilling Unit and the right to explore for, develop and produce Gas from Well No. **900126** as well as the right to participate and develop the reciprocal well, being **Range Well Nos. 821672, 809680, 809637 and 900024**.
  - 8.4 The proposed Well No. **900126** is located on the **James E. Raines et al. containing 40.00 acres** and the surface, coal, gas and oil owners have consented to the proposed location for Well No. **900126** that is depicted on the Plat attached hereto as **Exhibit A**;
  - 8.5 The Applicant testified it has the right to operate and participate in the development of the reciprocal **Range Well Nos. 821672, 809680, 809637 and 900024** and that the granting of the application filed herein will not impact the correlative rights of any person;
  - 8.6 An exception to the well spacing requirements of Va. Code § 45.1-361.17 for Well No. **900126** is necessary to efficiently drain a portion of the common sources of supply (reservoir) underlying Subject Drilling Unit, and the Board's granting of the requested location exception is in the best interest of preventing the waste of **550** million cubic feet of Conventional Gas underlying the Subject Drilling Unit, and to generally effect the purposes of the Virginia and Oil Act;
  - 8.7 Applicant proposes the drilling of Well No. **900126** to a depth of **5,610** feet on the Subject Drilling Unit at the location depicted on Exhibit A to produce all the Mississippian and Devonian Age formations including, but not limited to, **Ravenclyff, Maxon, Big Lime, Weir, Berea and Devonian Shale**, from surface to total depth drilled, **5,610** feet ("Subject Formations");
  - 8.8 Applicant proposes to drill Well No. **900126** a distance of **750.00** feet closer to Range Well No. **821672**, **489** feet closer to Range Well No. **809680**, **360** feet

closer to Range Well No. **809637** and **166** feet closer to Range Well No. **900024** than the 2500 feet mandated by statewide spacing;

- 8.9 Applicant proposes to complete and operate Well No. 900126 for the purpose of producing Conventional Gas;
9. Conclusion: Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED.**
10. Appeals: Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court. Such appeals must be taken in the manner prescribed in the Administrative Process Act, Va. Code Ann. § 9-6.14:1 *et seq.* and Rule 2A of the Rules of the Virginia Supreme Court.
11. Effective Date: This Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.

DONE AND EXECUTED this 9 day of January, 2013 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

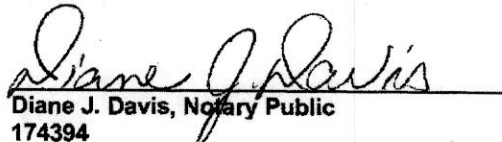
DONE AND PERFORMED this 9 day of January, 2013 by Order of the Virginia Gas and Oil Board.



Rick Cooper  
Principal Executive to the  
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSEL)

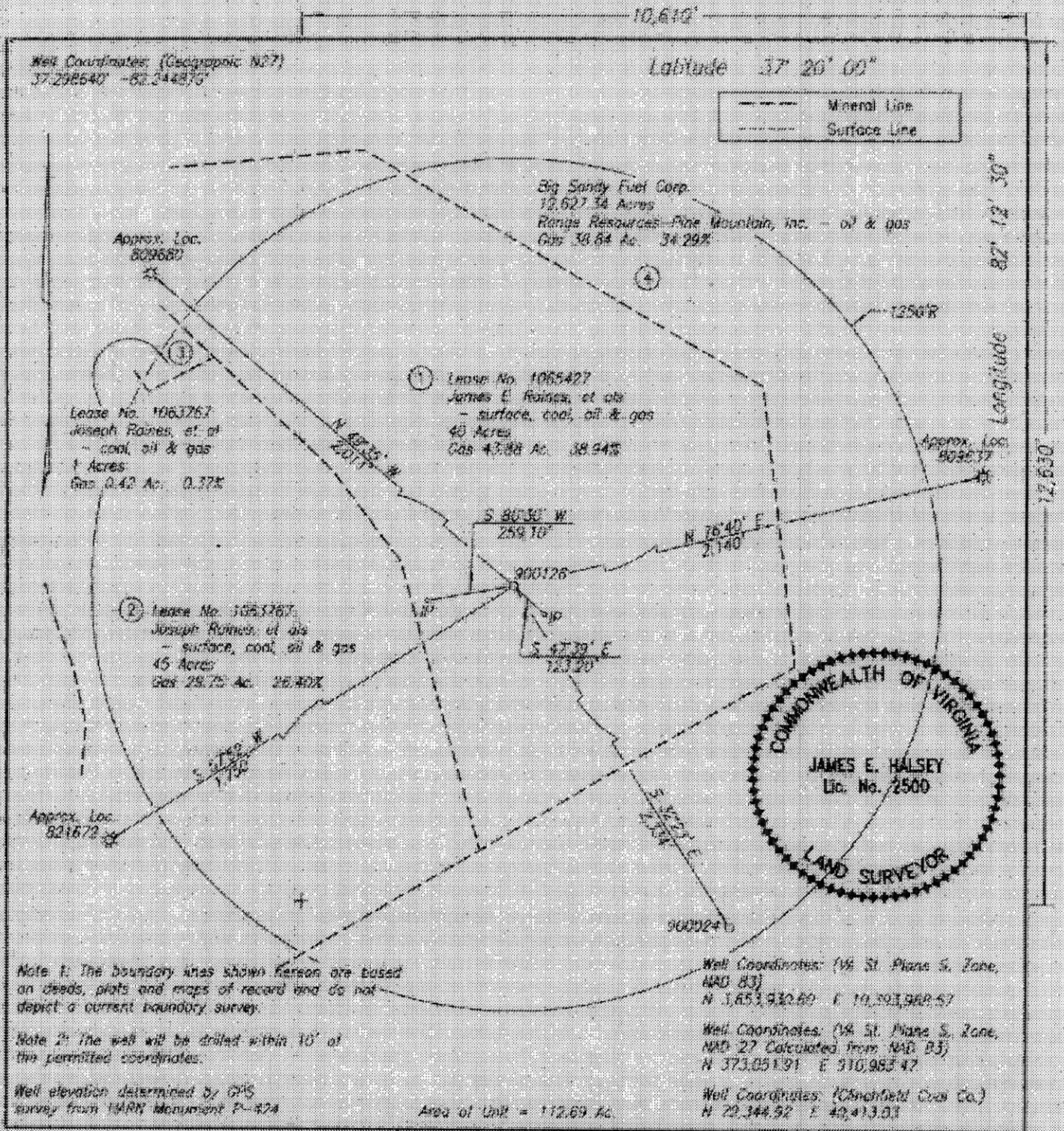
Acknowledged on this 9<sup>th</sup> day of January, 2013, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.

  
Diane J. Davis, Notary Public  
174394

My Commission expires: September 30, 2013







COMPANY Range Resources-Pine Mountain, Inc. WELL NAME AND NUMBER 900126  
TRACT NO. Lease No. 1065427 ELEVATION 1,882.51' QUADRANGLE Hammock  
COUNTY Buchanan DISTRICT Rocklick SCALE 1" = 100' DATE 10-15-2012  
This Plat is a new plat 1; an updated plat   ; or a final location plat     
+ Denotes the location of a well on United States topographic Maps, scale 1" to 24,000, latitude and longitude lines being represented by   

James E. Halsey  
Licensed Professional Engineer or Licensed

**Exhibit "B"**  
**WLE Well No. 900126**  
**5,610'**

**DEPTH -**

Dickenson-Russell Coal Company  
Maxxim Shared Services, LLC  
Attn: Steve Smith  
5703 Crutchfield Drive  
Norton, VA 24273

ALPHA Land & Reserves, LLC  
Attn: Steve Smith  
5703 Crutchfield Drive  
Norton, VA 24273

WBRD LLC  
John Mooney  
5260 Irwin Road  
Huntington, WV 25705-3247

ACIN LLC  
John Mooney  
5260 Irwin Road  
Huntington, WV 25705-3247

Levisa Leasing, Inc.  
C/O Mark Altizer  
101 Hillside Drive  
Abingdon, VA 24210

Penn Virginia Operating Company, LLC  
Mr. John Keith  
Seven Sheridan Square, Suite 400  
Kingsport, TN 37660

Wellmore Coal Company, LLC  
Attn: Bob Brendlinger  
P.O. Box 458  
Big Rock, VA 24603

Gail Duckett  
131 Canary Dr NW Apt. B  
Cleveland, TN 37312

Carol McCormick  
1391 Rabbit Valley Rd NW  
Cleveland, TN 37312

Betty Jean Musick  
6628 Nancy Lane  
Trinity, NC 27370

Lillie Suezette Musick  
2642 Holly Hills Dr  
Poplar Bluff, MO 63901

Douglas Shannon Raines  
PO Box 433  
Breaks, VA 24607

Ernest R. Raines  
PO Box 265  
Breaks, VA 24607

Everett J. Raines  
PO Box 570  
Grundy, VA 24614

Marcella R. Morrow  
6400 Bay View Lane  
Daphne, AL 36526

James E. Raines  
PO Box 243  
Breaks, VA 24607

Rosie Pebble Valentino  
106E Picadome Park St  
Lexington, Ky 40503

William Paul Raines  
PO Box 68  
Breaks, VA 24607

Betty R. Raines  
PO Box 72  
Breaks, VA 24607

Ronald Dean Raines  
c/o Clara Kendrick  
1032 Balsam Dr.  
Lexington, Ky 40503

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Minty A. Raines Verbeter  
PO Box 85  
Breaks, VA 24607

Roby G. Raines  
PO Box 37  
Breaks, VA 24607

Bertha Ann Emerson  
1607 Enon Church Rd

Chester, VA 23831

Jerry Raines  
PO Box 132  
Oakwood, VA 24631

Clara Kendrick  
1032 Balsam Drive  
Lexington, Ky 40504

Linda J. Bowen  
4100 British Wood Dr.  
Hopewell, VA 23860

Ella D. Raines Nastwold  
748 Ridgecrest Dr.  
Fenton, MI 48430

Rodney Dale Raines  
PO Box 261  
Breaks, VA 24607

Donivan Raines  
C/O Roberta Dianye R. Potter  
105 Left Fork Dry Fork  
Elkhorn City, Ky 41522

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105 Left Fork Dry Fork  
Elkhorn City, Ky 41522

David G. Raines  
PO Box 66  
Breaks, VA 24607

Vivian J. Owens  
PO Box 336  
Haysi, VA 24256

Bevley C. Fuller  
1629 Mansfield St.  
Winston-Salem, NC 27107

Emory G. Fuller  
308 E. Tazewell Rd  
Sterling, VA 20164

Wm J B Fuller  
c/o Vivian J. Owens  
PO Box 336  
Haysi, VA 24256



Douglas M Fuller  
c/o Vivian J. Owens  
PO Box 336  
Haysi, VA 24256

Nora C. Aglin  
c/o Vivian J. Owens  
PO Box 336  
Haysi, VA 24256

Woodrow Fuller  
c/o Vivian J. Owens  
PO Box 336  
Haysi, VA 24256

Sharon C. Carver  
3411 Wilderness Circle  
Middleburg, FL 32068

Ronald D. Church  
1872 Racefork Rd  
Hurley, VA 24620

Lillian C. Stiltner  
222 Oglesby Ave  
Birmingham, AL 35209

Dana C. Swicker  
6706 McCahill Dr.  
Laurel, MD 20707

John P Church  
1091 Joes Creek Rd  
Pikeville, Ky 41501

Juanita C. Smith  
107 Treasure Island Lane  
Cropwell, AL 35054

Mary C. Hamrick  
444 Chestnut Street  
Birmingham, AL 35208

Billy L. Church  
2602 Abbott Drive  
Pell City, AL 35125

Betty C. Wilson  
319 County Road 254  
Cullman, AL 35057

David C Church

823 Dogwood Estates  
Pell City, AL 35125

Lisa M Church  
PO Box 463  
Maxie, VA 24628

Phillip E. Church  
6461 Edsall Road  
Alexandria, VA 22312

Lynn R. Carter  
2314 Avenel Ave SW  
Roanoke, VA 24015

Juanita Raines  
600 Walden Road  
Abingdon, VA 24210

Robert N Raines  
7244 Peppermill Dr  
King George, VA 22485

Andy Raines  
1305 Winston Drive  
Salem, VA 24153

Robert Deel  
Unknown

James Deel  
Unknown

Barbara Morris  
Unknown

Doug Deel  
PO Box 47  
Breaks, VA 24607

Christopher A. Deel  
1829 Audobon Dr NE  
Atlanta, GA 30329

Mickey Lee Branham  
PO Box 33  
Haysi, VA 24256

Vickie June Silcox  
1669 Nealy Ridge  
Clinchco, VA 24226

Aaron Lee Deel  
Unknown

Garland S. Deel  
PO Box 512  
Clintwood, VA 24228

Faye D. Thacker  
Unknown

Woodrow Trinkle Deel  
Unknown

Larry Edwards  
14 Cornelius Rd  
Los Lunas, NM 87031

Denise Heppler  
c/o Larry Edwards  
14 Cornelius Rd  
Los Lunas, NM 87031

Jeffrey Edwards  
3 Blackberry Ln  
Los Lunas, NM 87031

Bonnie Deel Cash  
PO Box 235  
Breaks, VA 24607

Meiba Deel  
PO Box 267  
Breaks, VA 24607